

Signs of worker's compensation fraud and abuse

[Law](#)



Perpetrators and Signs of Workers Compensation Fraud and Abuse Affiliation:

Human resource in the organizational setting is a fundamental factor to account for. All the operations undertaken by an enterprise are run by the employees. Human resource, backed up by financial capital and all other stakeholders in an enterprise, work towards achieving the set goals and objectives. In the process, these stakeholders are accorded benefits that are designed to promote their welfare within and without the organizational setting. For the employees, workers' compensation ensures that their welfare remains unaffected in and out of the workplace.

While the workers' compensation system works in the best interest of employees, it is subject to abuse and/or fraudulent practices. Perpetrators of fraud, abuse, or both vary depending on the specific matter in question. This means that employees, employers, and legal experts among others can perpetrate workers' compensation fraud and /or abuse for differentiated reasons, purposes, or motives (Green & Rowell, 2012). Fraud and/or abuse perpetrated by an employee entail the use of false information, practices, or procedures to obtain compensatory benefits that the employee is not entitled. Eligibility for such benefits is jeopardized, thus resulting in abuse or fraudulent activities that relate to worker's compensation.

When there is enough evidence that fraud and/or abuse in regard to workers' compensation has occurred, it is important to establish the root cause, reason, purpose, or motive behind the activity. This would require that the perpetrator (the employee) be close examined in order to ascertain the validity of the evidence available. Once this has been done, the response to worker's compensation fraud and abuse should allow the perpetrator to explain why such a move was made (Rejda, 2011). This would allow the <https://assignbuster.com/signs-of-workers-compensation-fraud-and-abuse/>

response team to establish the ground upon which fraud and abuse occurred.

Responding to evidence of workers' compensation fraud and abuse is strong when the baseline of such practices is understood (Green & Rowell, 2012).

Once the evidence receives the aforementioned treatment, the next critical step seeks to determine contributory factors that provide to loopholes in the system. This can take the form of determining the relationship between the stakeholders that verify and approve workers' compensation. The idea here is to establish any cooperation and collaboration between fraudulent employees and parties in the compensation system.

The result of the above response informs whether or not the system needs to be redesigned. In other words, responding to the evidence of fraud and/or abuse needs to consider the entire system and not just the employee factor. This can further advance to the organization of seminars and workshops that mobilize employees on the impacts of violating compensation provisions. The effects vary across social, economic, and legal aspects, and understanding the underlying implications is essential. Responding to evidence of workers compensation fraud and abuse does not only entail addressing the specific issue at hand, but also ensuring that such practices are avoided in future (Katz, 2008).

References

Green, M. & Rowell, J. (2012). *Understanding Health Insurance: A Guide to Billing and Reimbursement*. New York: Cengage Learning.

Katz, M. (2008). *The Price of Citizenship: Redefining the American Welfare State*. Pennsylvania: University of Pennsylvania Press.

Rejda, G. (2011). *Social Insurance and Economic Security*. New York: M. E. Sharpe.